

[Second Reprint]

**SENATE CONCURRENT  
RESOLUTION No. 113**

**STATE OF NEW JERSEY  
211th LEGISLATURE**

INTRODUCED FEBRUARY 28, 2005

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator JOHN H. ADLER**

**District 6 (Camden)**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex)**

**Assemblyman MICHAEL PANTER**

**District 12 (Mercer and Monmouth)**

**Assemblywoman BONNIE WATSON COLEMAN**

**District 15 (Mercer)**

**Assemblyman JOHN S. WISNIEWSKI**

**District 19 (Middlesex)**

**Co-Sponsored by:**

**Assemblyman Barnes, Assemblywomen Previte, Weinberg, Assemblymen  
Gusciora, Hackett, Assemblywoman Stender, Assemblymen Prieto, Manzo  
and Assemblywoman Greenstein**

**SYNOPSIS**

Proposes constitutional amendment to authorize use of dedicated corporation business tax revenues for air pollution control; changes existing allocation percentage for 10 years, allows for underground storage tank program costs.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on May 19, 2005, with amendments.

(Sponsorship Updated As Of: 6/28/2005)

5 **BE IT RESOLVED** *by the Senate of the State of New Jersey (the*  
6 *General Assembly concurring):*

11 PROPOSED AMENDMENT

6. There shall be credited annually to a special account in the General Fund an amount equivalent to 4% of the revenue annually derived from the tax imposed pursuant to the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), as amended and supplemented, or any other State law of similar effect.

The amount annually credited pursuant to this paragraph shall be dedicated and shall be appropriated from time to time by the Legislature only for the following purposes: paying or financing costs incurred by the State for the remediation of discharges of hazardous substances, which costs may include performing necessary operation and maintenance activities relating to remedial actions and costs incurred for providing alternative sources of public or private water supplies, when a water supply has been, or is suspected of being, contaminated by a hazardous substance discharge; providing funding, including the provision of loans or grants, for the upgrade, replacement, or closure of underground storage tanks that store or were used to store hazardous substances, and for the costs of remediating any discharge therefrom; providing funding, including the provision of loans or grants, for the costs of the remediation of discharges of hazardous substances, which costs may include costs incurred for providing alternative sources of public or private water supplies, when a water supply has been, or is suspected of being, contaminated by a hazardous substance discharge; [and] for paying or financing the cost of water quality point and nonpoint source pollution monitoring, watershed based water resource planning and management, and nonpoint source pollution prevention projects ; and for providing grants for the costs of air pollution control equipment to reduce the levels of particulate matter emissions from diesel-powered

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SEN committee amendments adopted March 7, 2005.

<sup>2</sup> Senate SBA committee amendments adopted May 19, 2005.

1 engines, and for <sup>1</sup>funding for<sup>1</sup> other measures to reduce human  
2 exposure to those emissions.

3 It shall not be competent for the Legislature, under any pretense  
4 whatever, to borrow, appropriate, or use the amount credited to the  
5 special account pursuant to this paragraph, or any portion thereof, for  
6 any purpose or in any manner other than as enumerated in this  
7 paragraph. It shall not be competent for the Legislature, under any  
8 pretense whatever, to borrow, appropriate, or use the amount credited  
9 to the special account pursuant to this paragraph, or any portion  
10 thereof, for the payment of the principal or interest on any general  
11 obligation bond that was approved by the voters prior to this  
12 paragraph becoming part of this Constitution.

13 (a) A minimum of one-sixth of the amount annually credited  
14 pursuant to this paragraph, or a minimum of an amount equal to  
15 \$5,000,000.00 per year, whichever is less, shall be dedicated, and shall  
16 be appropriated from time to time by the Legislature, only for paying  
17 or financing the cost of water quality point and nonpoint source  
18 pollution monitoring, watershed based water resource planning and  
19 management, and nonpoint source pollution prevention projects.

20 (b) A minimum of one-third of the amount annually credited  
21 pursuant to this paragraph shall be dedicated, and shall be  
22 appropriated from time to time by the Legislature, only for providing  
23 funding, including the provision of loans or grants, for the upgrade,  
24 replacement, or closure of underground storage tanks that store or  
25 were used to store hazardous substances, and for the costs of  
26 remediating any discharge therefrom, and for providing funding,  
27 including the provision of loans or grants, for the costs of the  
28 remediation of discharges of hazardous substances, which costs may  
29 include costs incurred for providing alternative sources of public or  
30 private water supplies, when a water supply has been, or is suspected  
31 of being, contaminated by a hazardous substance discharge. Of any  
32 amount dedicated pursuant to this subparagraph (b) but not expended  
33 prior to January 1, 2004, fifty percent of that amount shall be  
34 expended on funding for the upgrade, replacement, or closure of  
35 underground storage tanks that store or were used to store hazardous  
36 substances, and for the costs of remediating any discharge therefrom,  
37 and fifty percent shall be expended on funding the costs of the  
38 remediation of discharges of hazardous substances, including costs  
39 incurred for providing alternative sources of public or private water  
40 supplies, when a water supply has been, or is suspected of being,  
41 contaminated by a hazardous substance discharge.

42 Commencing January 1, 2004 and ending December 31, 2005, fifty  
43 percent of the moneys dedicated pursuant to this subparagraph (b)  
44 shall be appropriated for funding the upgrade, replacement, or closure  
45 of underground storage tanks that store or were used to store  
46 hazardous substances, and for the costs of remediating any discharge

1 therefrom, and fifty percent shall be appropriated for funding the costs  
2 of the remediation of discharges of hazardous substances, which costs  
3 may include costs incurred for providing alternative sources of public  
4 or private water supplies, when a water supply has been, or is  
5 suspected of being, contaminated by a hazardous substance discharge.

6 Commencing January 1, 2006 and ending December 31, 2021, forty  
7 percent of the moneys dedicated pursuant to this subparagraph (b)  
8 shall be appropriated for funding the upgrade, replacement, or closure  
9 of underground storage tanks that store or were used to store  
10 hazardous substances, and for the costs of remediating any discharge  
11 therefrom, and sixty percent shall be appropriated for funding the costs  
12 of the remediation of discharges of hazardous substances, which costs  
13 may include costs incurred for providing alternative sources of public  
14 or private water supplies, when a water supply has been, or is  
15 suspected of being, contaminated by a hazardous substance discharge.

16 Commencing January 1, 2004, up to \$2,000,000.00 per year, which  
17 shall be taken from the amount appropriated pursuant to this  
18 subparagraph (b) for the costs of the remediation of discharges of  
19 hazardous substances, may be expended for the costs of a State  
20 underground storage tank inspection program, which costs may  
21 include the direct but not indirect program administrative costs  
22 incurred by the State for the employment of inspectors and a  
23 compliance and enforcement staff, and the purchase of vehicles and  
24 equipment necessary for the implementation thereof.

25 All moneys derived from repayments of any loan issued from the  
26 amount dedicated pursuant to this subparagraph (b) shall be dedicated,  
27 and shall be appropriated from time to time by the Legislature, only for  
28 the purposes authorized pursuant to this subparagraph (b). The  
29 dedication of moneys derived from loan repayments shall not expire.

30 Except for moneys that may be expended for the costs of a State  
31 underground storage tank inspection program, <sup>2</sup>and except for  
32 amounts that may be appropriated from time to time by the Legislature  
33 on or after January 1, 2006, but not to exceed \$1,000,000 annually, to  
34 administer programs to provide loans and grants for the upgrade,  
35 replacement, or closure of underground storage tanks that store or  
36 were used to store hazardous substances,<sup>2</sup> no moneys appropriated  
37 pursuant to this subparagraph (b) may be expended on any direct or  
38 indirect administrative costs of the State or any of its departments,  
39 agencies, or authorities.

40 <sup>2</sup>Commencing January 1, 2006, funding for administrative costs  
41 for programs to provide loans and grants for the upgrade, replacement,  
42 or closure of underground storage tanks that store or were used to  
43 store hazardous substances may be appropriated from time to time by  
44 the Legislature from the amount dedicated pursuant to this  
45 subparagraph (b) for those purposes in an amount not to exceed  
46 \$1,000,000 in any year.<sup>2</sup>

1 No moneys appropriated pursuant to this subparagraph (b) may be  
2 expended on any upgrade, replacement, or closure of any underground  
3 storage tank, or for the remediation of any discharge therefrom, for  
4 any underground storage tank owned by the State or any of its  
5 departments, agencies, or authorities, or for costs incurred by the  
6 State for the remediation of discharges of hazardous substances.

7 Commencing on January 1, 2022, the moneys dedicated pursuant  
8 to this subparagraph (b) may be appropriated from time to time by the  
9 Legislature: for providing funding, including the provision of loans or  
10 grants, for the upgrade, replacement, or closure of underground  
11 storage tanks that store or were used to store hazardous substances,  
12 and for the costs of remediating any discharge therefrom; for providing  
13 funding, including the provision of loans or grants, for the costs of the  
14 remediation of discharges of hazardous substances, which costs may  
15 include costs incurred for providing alternative sources of public or  
16 private water supplies, when a water supply has been, or is suspected  
17 of being, contaminated by a hazardous substance discharge; or for the  
18 costs of a State underground storage tank inspection program, in an  
19 amount up to \$2,000,000.00 per year.

20 <sup>2</sup>The Legislature may appropriate after January 1, 2006, an amount  
21 not to exceed \$10,000,000, of any of the amounts appropriated in any  
22 fiscal year ending before July 1, 2005, made for the purpose of the  
23 provision of loans or grants, for the upgrade, replacement, or closure  
24 of underground storage tanks that store or were used to store  
25 hazardous substances, and for the costs of remediating any discharge  
26 therefrom, and not expended for that purpose prior to the end of the  
27 fiscal year ending on June 30, 2005, for the purpose set forth in  
28 subparagraph (d) of this paragraph.<sup>2</sup>

29 (c) [A] Commencing January 1, 2006 and ending December 31,  
30 2015, a minimum of [one-half] <sup>2</sup>[thirty percent] thirty-three percent<sup>2</sup>  
31 of the amount annually credited pursuant to this paragraph shall be  
32 dedicated, and shall be appropriated from time to time by the  
33 Legislature, only for paying or financing costs incurred by the State for  
34 the remediation of discharges of hazardous substances, which costs  
35 may include performing necessary operation and maintenance activities  
36 relating to remedial actions and costs incurred for providing alternative  
37 sources of public or private water supplies, when a water supply has  
38 been, or is suspected of being, contaminated by a hazardous substance  
39 discharge. Commencing January 1, 2016, a minimum of one-half of  
40 the amount annually credited pursuant to this paragraph shall be  
41 dedicated for the purposes of this subparagraph (c). No moneys  
42 appropriated pursuant to this subparagraph (c) may be expended for  
43 any indirect administrative costs of the State, its departments,  
44 agencies, or authorities. No more than nine percent of the moneys  
45 annually credited pursuant to this paragraph, which shall be taken from  
46 the amount dedicated pursuant to this subparagraph (c), may be

1 expended for any direct program administrative costs of the State, its  
2 departments, agencies, or authorities. If the Legislature dedicates for  
3 the purposes of this subparagraph (c) any moneys above the minimum  
4 that is required to be dedicated pursuant to this subparagraph (c),  
5 those moneys may not be expended for any direct or indirect  
6 administrative costs of the State, its departments, agencies, or  
7 authorities.

8 (d) Commencing January 1, 2006 and ending December 31, 2015,  
9 a minimum of <sup>2</sup>[twenty percent] seventeen percent <sup>2</sup> of the amount  
10 annually credited pursuant to this paragraph shall be dedicated, and  
11 shall be appropriated from time to time by the Legislature, only for  
12 providing grants for the costs of air pollution control equipment to  
13 reduce the levels of particulate matter emissions from diesel-powered  
14 engines, <sup>1</sup>[and] funding<sup>1</sup> for other measures to reduce human exposure  
15 to those emissions <sup>1</sup>[.] , and funding for those program administrative  
16 costs as provided in this subparagraph. No more than \$1,150,000 per  
17 year of the amount dedicated pursuant to this subparagraph (d) may  
18 be expended for program administrative costs of the State, its  
19 departments, agencies, or authorities for implementing the provisions  
20 of this subparagraph (d), and for regulating particulate matter  
21 emissions from diesel-powered engines.<sup>1</sup>

22 Any amount dedicated <sup>2</sup>and appropriated<sup>2</sup> pursuant to this  
23 subparagraph (d) but not expended prior to January 1, 2016 shall be  
24 dedicated and may be appropriated <sup>2</sup>from time to time<sup>2</sup> by the  
25 Legislature for the purposes authorized in subparagraph (c) of this  
26 paragraph.

27 (cf: Article VIII, Section II, par. 6, effective December 4, 2003)

28  
29 2. When this proposed amendment to the Constitution is finally  
30 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it  
31 shall be submitted to the people at the next general election occurring  
32 more than three months after the final agreement and shall be  
33 published at least once in at least one newspaper of each county  
34 designated by the President of the Senate, the Speaker of the General  
35 Assembly and the Attorney General, not less than three months prior  
36 to the general election.

37  
38 3. This proposed amendment to the Constitution shall be submitted  
39 to the people at that election in the following manner and form:

40 There shall be printed on each official ballot to be used at the  
41 general election, the following:

42 a. In every municipality in which voting machines are not used, a  
43 legend which shall immediately precede the question, as follows:

44 If you favor the proposition printed below make a cross (X), plus  
45 (+), or check (T) in the square opposite the word "Yes." If you are  
46 opposed thereto make a cross (X), plus (+) or check (T) in the square

opposite the word "No."  
b. In every municipality the following question:

		<p>CONSTITUTIONAL AMENDMENT TO EXPAND USES OF DEDICATED TAX REVENUE TO FUND AIR POLLUTION CONTROL <sup>2</sup><u>AND ADMINISTRATIVE COSTS OF THE UNDERGROUND STORAGE TANK PROGRAM</u><sup>2</sup></p> <p>Shall the amendment to Article VIII, Section II, paragraph 6 of the Constitution of the State of New Jersey, expanding the authorized uses of the constitutionally dedicated Corporation Business Tax revenue <sup>2</sup><u>[.]</u>: (1)<sup>2</sup> to allow the use of <sup>2</sup><u>[20%]</u> <u>17%</u><sup>2</sup> of the dedicated funds for 10 years, to pay for providing grants for the costs of air pollution control equipment to reduce particulate matter emissions from diesel-powered engines, <sup>1</sup><u>[and] funding</u><sup>1</sup> for other measures to reduce human exposure to those emissions <sup>2</sup>, <sup>2</sup> <sup>1</sup><u>and for no more than \$1,150,000 in associated State administrative costs</u><sup>1</sup> <sup>2</sup>, (2) <u>to allow the use of no more than \$1,000,000 per year for State administrative expenses for the underground storage tank program, and (3) to allow an appropriation as the Legislature may provide up to \$10,000,000 from the preceding unexpended balances dedicated and appropriated for the underground storage tank program to provide grants for cost of air pollution control equipment to reduce particulate matter emissions from diesel-powered engines, and funding for other measures to reduce human exposure to those emissions</u><sup>2</sup> , be approved?</p>
--	--	--

1		INTERPRETIVE STATEMENT
2		Since 1996, 4% of the annual revenue from
3		the Corporation Business Tax has been
4		constitutionally dedicated to fund
5		environmental programs. Approval of this
6		constitutional amendment would (1) expand
7		the authorized uses of those revenues to
8		provide grants for the costs of air pollution
9		control equipment to reduce particulate
10		matter emissions from diesel-powered
11		engines <sup>1</sup> , <sup>1</sup> and <sup>1</sup> [grants] <u>funding</u> <sup>1</sup> for other
12		measures to reduce human exposure to those
13		emissions, and (2) change the allocation of
14		funds for the existing authorized uses. The
15		Constitution currently allocates one-half for
16		hazardous discharge cleanup performed by the
17		State, a minimum of one-sixth or a minimum
18		of <sup>2</sup> [\$5 million] <u>\$5,000,000</u> <sup>2</sup> for water
19		quality projects, and a minimum of one-third
20		for funding loans or grants for underground
21		storage tank upgrades, replacements, closures
22		and remediations, loans or grants to remediate
23		hazardous substance discharges, and for an
24	NO	underground inspection program. This
25		constitutional amendment would reduce the
26		allocation for hazardous discharge cleanup by
27		the State to <sup>2</sup> [30%] <u>33%</u> <sup>2</sup> for ten years <sup>1</sup> [and
28		would] <sup>1</sup> , allocate <sup>2</sup> [ <sup>1</sup> <u>20%</u> <sup>1</sup> ] <u>17%</u> <sup>2</sup> for that
29		period <sup>1</sup> [, 20%] <sup>1</sup> for grants for air pollution
30		control programs <sup>1</sup> , and would allow up to
31		<u>\$1,150,000 per year of that</u> <sup>2</sup> [20%] <u>17%</u> <sup>2</sup>
32		<u>allocation to be used for the State's associated</u>
33		<u>administrative costs</u> <sup>1</sup> . <sup>2</sup> <u>Also, this amendment</u>
34		<u>would allow the use of no more than</u>
35		<u>\$1,000,000 per year for State administrative</u>
36		<u>expenses for the underground storage tank</u>
37		<u>program, and would allow an appropriation</u>
38		<u>by the Legislature of up to \$10,000,000 from</u>
39		<u>the preceding unexpended balances dedicated</u>
40		<u>and appropriated for the underground storage</u>
41		<u>tank program to provide grants for cost of air</u>
42		<u>pollution control equipment to reduce</u>
43		<u>particulate matter emissions from diesel-</u>
44		<u>powered engines, and funding for other</u>
45		<u>measures to reduce human exposure to those</u>
46		<u>emissions.</u> <sup>2</sup>
47		